

# SENATE BILL REPORT

## HB 1526

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As Reported By Senate Committee On:  
Natural Resources, Energy & Water, April 4, 2003

**Title:** An act relating to cost-reimbursement agreements between state agencies and permit applicants.

**Brief Description:** Revising provisions relating to cost-reimbursement agreements between state agencies and permit applicants.

**Sponsors:** Representatives Linville, Armstrong, Haigh, Morris, Cooper, Mastin, Gombosky, Delvin, Grant, Schoesler, Sullivan, Chandler and Schual-Berke.

**Brief History:**

**Committee Activity:** Natural Resources, Energy & Water: 4/4/03 [DP].

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### SENATE COMMITTEE ON NATURAL RESOURCES, ENERGY & WATER

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**Majority Report:** Do pass.

Signed by Senators Morton, Chair; Hewitt, Vice Chair; Doumit, Fraser, Hale, Hargrove, Honeyford, Oke and Regala.

**Staff:** Genevieve Pisarski (786-7488)

**Background:** In 2000, the Legislature authorized the departments of Ecology, Natural Resources, Health, and Fish and Wildlife, and local air pollution control authorities to use voluntary cost-reimbursement agreements for complex projects, meaning those that require an environmental impact statement. The agreements are intended to help assure that complex projects are handled appropriately, without diverting resources away from smaller projects. No new cost-reimbursement agreement may be negotiated after July 1, 2005.

Under a cost-reimbursement agreement, an applicant pays the reasonable costs of permit coordination, environmental review, application review, technical studies, permit processing, and any other requirements of relevant laws. An agreement must identify the specific tasks, costs, and schedule for work to be done. Funds are used to contract with independent consultants and to assign staff to review the consultants' work and provide technical assistance, when a qualified independent consultant is not available.

**Summary of Bill:** The authority of the departments of Ecology, Natural Resources, Health, and Fish and Wildlife, and local air pollution control authorities to enter into voluntary cost-reimbursement agreements is extended to July 1, 2007. Cost-reimbursement agreements are not limited to complex projects requiring an environmental impact statement.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Cost reimbursement agreements have proved to be a useful tool for both applicants and agencies. They expedite decisions and allow agencies to manage workload better. Applicants who are not eligible for cost-reimbursement agreements under the current law want to be able to use them; they should be available for all projects. The limitation to complex projects was intended to be temporary, to see if cost-reimbursement agreements worked.

**Testimony Against:** None.

**Testified:** PRO: Rep. Linville, prime sponsor; Jerry Smedes, Emerald Services, Basin Disposal, NW Environmental Business Council; Greg Hanon, Williams Gas Pipelines West; Sue Mauermann, Department of Ecology.